



**PRELIMINARY REPORT**  
**CHICAGO TITLE INSURANCE COMPANY**

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CHICAGO TITLE COMPANY

## PRELIMINARY REPORT

Dated as of: July 13, 1999 at 7:30 AM

Reference: 209900571

Order No.: 91057494 - X59

**CHICAGO TITLE COMPANY** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception in Schedule B or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in the attached list. Copies of the Policy forms are available upon request.

Please read the exceptions shown or referred to in Schedule B and the exceptions and exclusions set forth in the attached list of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

The form of policy of title insurance contemplated by this report is:

AMERICAN LAND TITLE ASSOCIATION OWNER'S EXTENDED COVERAGE POLICY

Visit Us On The Web: [westerndivision.ctt.com](http://westerndivision.ctt.com)

Title Department:



**CHICAGO TITLE COMPANY**

700 S. FLOWER ST. #900

LOS ANGELES, CA 90017

(213)488-4300 fax: (213)488-4385

CLARK MCKINNON  
TITLE OFFICER

## SCHEDULE A

Order No: 91057494 X59

Your Ref: 209900571

1. The estate or interest in the land hereinafter described or referred to covered by this report is:

A FEE

2. Title to said estate or interest at the date hereof is vested in:

BOEING REALTY CORPORATION, (FORMERLY McDONNELL DOUGLAS REALTY COMPANY), A CALIFORNIA CORPORATION.

3. The land referred to in this report is situated in the State of California, County of LOS ANGELES and is described as follows:

LOTS 15, 16, 17, 18, 19 AND 20 OF TRACT NO. 52172-02, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1238 PAGES 17 THROUGH 22, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

## SCHEDULE B

Page 1

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At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in the policy form designated on the face page of this Report would be as follows:

- A** 1. PROPERTY TAXES, INCLUDING ANY ASSESSMENTS COLLECTED WITH TAXES, TO BE LEVIED FOR THE FISCAL YEAR 1999-2000 THAT ARE A LIEN NOT YET DUE.
- B** 2. PROPERTY TAXES FOR THE FISCAL YEAR SHOWN BELOW ARE PAID. FOR INFORMATION PURPOSES THE AMOUNTS ARE:
- FISCAL YEAR: 1998-1999  
1ST INSTALLMENT: \$481,292.15  
2ND INSTALLMENT: \$316,263.26  
EXEMPTION: \$NONE  
CODE AREA: 0309  
ASSESSMENT NO: 7351-003-014
- C** AFFECTS: THE HEREIN DESCRIBED LAND AND OTHER LAND.
- D** 3. THE LIEN OF SUPPLEMENTAL OR ESCAPED ASSESSMENTS OF PROPERTY TAXES, IF ANY, MADE PURSUANT TO THE PROVISIONS OF PART 0.5, CHAPTER 3.5 OR PART 2, CHAPTER 3, ARTICLES 3 AND 4 RESPECTIVELY (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA AS A RESULT OF THE TRANSFER OF TITLE TO THE VESTEE NAMED IN SCHEDULE A; OR AS A RESULT OF CHANGES IN OWNERSHIP OR NEW CONSTRUCTION OCCURRING PRIOR TO DATE OF POLICY.
- F** 4. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
- GRANTED TO: GENERAL PETROLEUM CORPORATION OF CALIFORNIA  
PURPOSE: OIL PIPE LINE  
RECORDED: JUNE 9, 1927 AS INSTRUMENT NO. 479 IN BOOK 4802  
PAGE 236, OFFICIAL RECORDS  
AFFECTS: THE SOUTHERLY 30 FEET OF LOTS 15, 16, 17 AND 20.
- G** 5. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
- GRANTED TO: HUGHES MITCHELL PROCESSES, INCORPORATED  
PURPOSE: SEWAGE  
RECORDED: JUNE 7, 1938 AS INSTRUMENT NO. 662 IN BOOK 15827  
PAGE 169, OFFICIAL RECORDS  
AFFECTS: SOUTHERLY PORTION OF LOTS 15, 16, 17 AND 20, AS THEREIN PROVIDED.

**SCHEDULE B**  
**(continued)**

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- H** 6. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
- GRANTED TO: DOMINGUEZ ESTATE COMANY  
PURPOSE: WATER DISTRIBUTION SYSTEM OF DOMINGUEZ WATER CORPORATION  
RECORDED: DECEMBER 12, 1941 AS INSTRUMENT NO. 757 IN BOOK 18922 PAGE 397, OFFICIAL RECORDS  
AFFECTS: SOUTHERLY PORTION OF LOTS 15, 16, 17 AND 20, AS THEREIN PROVIDED.
- M** 7. A RIGHT OF WAY AND EASEMENT OVER PORTION OF SAID LAND TO LAY, INSTALL, CONSTRUCT, MAINTAIN, OPERATE, REPAIR, RENEW AND REMOVE A SINGLE PIPE LINES, AS GRANTED TO THE DOW CHEMICAL COMPANY, A CORPORATION, IN DEED FROM COLUMBIA STEEL COMPANY, A CORPORATION, RECORDED MARCH 25, 1952 AS INSTRUMENT NO. 3314 IN BOOK 38552 PAGE 294, OFFICIAL RECORDS.
- N** REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.
- AFFECTS: SOUTHERLY PORTIONS OF LOTS 15, 16, 17 AND 20.
- U** 8. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
- GRANTED TO: UNITED STATES OF AMERICA  
PURPOSE: SEWER  
RECORDED: OCTOBER 5, 1962 AS INSTRUMENT NO. 4495 IN BOOK D-1780 PAGE 576, OFFICIAL RECORDS  
AFFECTS: PORTIONS OF LOTS 15, 16, 17 AND 20 AS THEREIN PROVIDED.
- AT** 9. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
- GRANTED TO: CITY OF TORRANCE  
PURPOSE: TRAFFIC CONTROL DEVICES  
RECORDED: AUGUST 6, 1981 AS INSTRUMENT NO. 81-789314  
AFFECTS: PORTION OF LOT 18 AS THEREIN PROVIDED.
- AS** 10. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
- GRANTED TO: COUNTY SANITATION DISTRICT NO.5 OF LOS ANGELES COUNTY  
PURPOSE: SEWER  
RECORDED: NOVEMBER 10, 1993 AS INSTRUMENT NO. 93-2207100  
AFFECTS: PORTIONS OF LOTS 15, 16, 17 AND 20

**SCHEDULE B**  
**(continued)**

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**AT** REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**AU** 11. A COVENANT AND AGREEMENT UPON AND SUBJECT TO THE TERMS AND CONDITIONS THEREIN

EXECUTED BY: BOEING REALTY CORPORATION  
IN FAVOR OF: CITY OF LOS ANGELES  
RECORDED: AUGUST 6, 1998 AS INSTRUMENT NO. 98-1375300

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**AV** THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE PROPER GOVERNMENT AGENCY APPROVES ITS TERMINATION.

**BP** AFFECTS: THE HEREIN DESCRIBED LAND AND OTHER LAND.

**AW** 12. A COVENANT AND AGREEMENT UPON AND SUBJECT TO THE TERMS AND CONDITIONS THEREIN

EXECUTED BY: BOEING REALTY CORPORATION  
IN FAVOR OF: THE CITY OF LOS ANGELES  
RECORDED: NOVEMBER 19, 1998 AS INSTRUMENT NO. 98-2124227

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**AX** THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE PROPER GOVERNMENT AGENCY APPROVES ITS TERMINATION.

**BQ** AFFECTS: THE HEREIN DESCRIBED LAND AND OTHER LAND.

**AY** 13. A DOCUMENT ENTITLED "AGREEMENT", DATED NOVEMBER 18, 1998 EXECUTED BY COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY, A BODY CORPORATION AND POLITIC AND BOEING REALTY CORPORATION, A CALIFORNIA CORPORATION, SUBJECT TO ALL THE TERMS, PROVISIONS AND CONDITIONS THEREIN CONTAINED, RECORDED DECEMBER 28, 1998 AS INSTRUMENT NO. 98-2340918.

**AZ** REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**SCHEDULE B  
(continued)**

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AFFECTS: LOTS 18, 19 AND 20.

**BA** 14. A DOCUMENT ENTITLED "DECLARATION OF RESTRICTIVE COVENANTS", DATED DECEMBER 28, 1998 EXECUTED BY BOEING REALTY CORPORATION, A CALIFORNIA CORPORATION FORMERLY KNOWN AS MCDONNELL DOUGLAS REALTY COMPANY, SUBJECT TO ALL THE TERMS, PROVISIONS AND CONDITIONS THEREIN CONTAINED, RECORDED DECEMBER 30, 1998 AS INSTRUMENT NO. 98-2372365.

**BB** SAID COVENANTS, CONDITIONS AND RESTRICTIONS PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

**BC** REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**BD** 15. A DOCUMENT ENTITLED "DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS", DATED DECEMBER 28, 1998 EXECUTED BY BOEING REALTY CORPORATION, A CALIFORNIA CORPORATION KNOWN AS MCDONNELL DOUGLAS REALTY COMPANY, SUBJECT TO ALL THE TERMS, PROVISIONS AND CONDITIONS THEREIN CONTAINED, RECORDED DECEMBER 30, 1998 AS INSTRUMENT NO. 98-2372366.

**BE** SAID COVENANTS, CONDITIONS AND RESTRICTIONS PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

**BF** REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**BG** 16. A COVENANT AND AGREEMENT UPON AND SUBJECT TO THE TERMS AND CONDITIONS THEREIN

EXECUTED BY: BOEING REALTY CORP.  
IN FAVOR OF: CITY OF LOS ANGELES  
RECORDED: FEBRUARY 2, 1999 AS INSTRUMENT NO. 99-0169553

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

**BH** THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE PROPER GOVERNMENT AGENCY APPROVES ITS TERMINATION.

**BI** 17. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SHOWN OR AS OFFERED FOR DEDICATION ON THE RECORDED MAP SHOWN BELOW.

MAP OF: TRACT NO. 52172-02  
EASEMENT  
PURPOSE: PUBLIC UTILITIES  
AFFECTS: THE WESTERLY 10 FEET OF SAID LOTS 18, 19 AND 20

**SCHEDULE B**  
**(continued)**

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- BT** 18. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN BY THE PUBLIC RECORDS.
- BU** 19. MATTERS WHICH MAY BE DISCLOSED BY AN INSPECTION OR SURVEY OF SAID LAND OR BY INQUIRY OF THE PARTIES IN POSSESSION THEREOF.
- BV** 20. ANY RIGHTS OF THE PARTIES IN POSSESSION OF SAID LAND, BASED ON ANY UNRECORDED LEASE, OR LEASES.

THIS COMPANY WILL REQUIRE THAT A FULL COPY OF ANY UNRECORDED LEASE BE SUBMITTED TO US, TOGETHER WITH ALL SUPPLEMENTS, ASSIGNMENTS AND AMENDMENTS, BEFORE ISSUING ANY POLICY OF TITLE INSURANCE.

- BW** 21. ANY CLAIM, WHICH ARISES OUT OF THE TRANSACTION VESTING IN THE INSURED THE ESTATE OR INTEREST INSURED BY THIS POLICY, BY REASON OF THE OPERATION OF FEDERAL BANKRUPTCY, STATE INSOLVENCY, OR SIMILAR CREDITORS' RIGHTS LAWS, THAT IS BASED ON:
- (i) THE TRANSACTION CREATING THE ESTATE OR INTEREST INSURED BY THIS POLICY BEING DEEMED A FRAUDULENT CONVEYANCE OR FRAUDULENT TRANSFER; OR
  - (ii) THE TRANSACTION CREATING THE ESTATE OR INTEREST INSURED BY THIS POLICY BEING DEEMED A PREFERENTIAL TRANSFER EXCEPT WHERE THE PREFERENTIAL TRANSFER RESULTS FROM THE FAILURE:
    - (A) TO TIMELY RECORD THE INSTRUMENT OF TRANSFER; OR
    - (B) OF SUCH RECORDATION TO IMPART NOTICE TO A PURCHASER FOR VALUE OR A JUDGMENT OR LIEN CREDITOR.

**BS** NOTE NO. 1: THIS COMPANY WILL REQUIRE THAT AN ALTA SURVEY OF SAID LAND, SATISFACTORY TO THIS COMPANY, BE SUBMITTED. IT IS RECOMMENDED THAT THE SURVEYOR CONTACT THIS COMPANY PRIOR TO STARTING THE SURVEY.

**BJ** NOTE NO. 2: BEFORE ISSUING ITS POLICY OF TITLE INSURANCE, THIS COMPANY WILL REQUIRE EVIDENCE, SATISFACTORY TO THE COMPANY, THAT BOEING REALTY CORPORATION, (FORMERLY MCDONNELL DOUGLAS REALTY COMPANY), A CALIFORNIA CORPORATION IS VALIDLY FORMED AND IN GOOD STANDING ON THE DATE WHEN DOCUMENTS IN THIS TRANSACTION ARE TO BE EXECUTED.

ANY INSTRUMENT IN WRITING IN THE NAME OF THE CORPORATION WILL BE SUFFICIENT FOR TITLE INSURANCE PURPOSES IF, PURSUANT TO SECTION 5212 OF THE CALIFORNIA CORPORATIONS CODE, IT IS SIGNED AND ACKNOWLEDGED BY ANY ONE OF THE FOLLOWING OFFICERS:

- THE CHAIRMAN OF THE BOARD OF DIRECTORS,
- THE PRESIDENT,
- ANY VICE PRESIDENT



**SCHEDULE B  
(continued)**

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AND PROVIDED IT IS ALSO SIGNED BY ANY ONE OF THE FOLLOWING ADDITIONAL OFFICERS:

- THE SECRETARY,
- ANY ASSISTANT SECRETARY,
- CHIEF FINANCIAL OFFICER,
- ASSISTANT TREASURER.

ANY DEVIATION FROM THE ABOVE WILL REQUIRE THE SUBMISSION TO THIS COMPANY OF A RESOLUTION OF THE GOVERNING BODY OF SAID CORPORATION AUTHORIZING THE TRANSACTION FOR WHICH THIS REPORT HAS BEEN REQUESTED, TOGETHER WITH A COPY OF SUCH CORPORATION'S BY-LAWS. THE RESOLUTION TO DESIGNATE AS WELL, THE OFFICERS AUTHORIZED TO EXECUTE ON THE CORPORATION'S BEHALF.

**BK** NOTE NO. 3: WHEN THIS TITLE ORDER CLOSSES AND IF CHICAGO TITLE IS HANDLING LOAN PROCEEDS THROUGH SUB-ESCROW, ALL TITLE CHARGES AND EXPENSES NORMALLY BILLED, WILL BE DEDUCTED FROM THOSE LOAN PROCEEDS (TITLE CHARGES AND EXPENSES WOULD INCLUDE TITLE PREMIUMS, ANY TAX OR BOND ADVANCES, DOCUMENTARY TRANSFER TAX AND RECORDING FEES, ETC.).

**BL** NOTE NO. 4: IF THIS COMPANY IS REQUESTED TO DISBURSE FUNDS IN CONNECTION WITH THIS TRANSACTION, CHAPTER 598, STATUTES OF 1989 MANDATES HOLD PERIODS FOR CHECKS DEPOSITED TO ESCROW OR SUB-ESCROW ACCOUNTS. THE MANDATORY HOLD PERIOD FOR CASHIER'S CHECKS, CERTIFIED CHECKS AND TELLER'S CHECKS IS ONE BUSINESS DAY AFTER THE DAY DEPOSITED. OTHER CHECKS REQUIRE A HOLD PERIOD OF FROM TWO TO FIVE BUSINESS DAYS AFTER THE DAY DEPOSITED. IN THE EVENT THAT THE PARTIES TO THE CONTEMPLATED TRANSACTION WISH TO RECORD PRIOR TO THE TIME THAT THE FUNDS ARE AVAILABLE FOR DISBURSEMENT (AND SUBJECT TO COMPANY APPROVAL), THE COMPANY WILL REQUIRE THE PRIOR WRITTEN CONSENT OF THE PARTIES. UPON REQUEST, A FORM ACCEPTABLE TO THE COMPANY AUTHORIZING SAID EARLY RECORDING MAY BE PROVIDED TO ESCROW FOR EXECUTION.

**WIRE TRANSFERS**

THERE IS NO MANDATED HOLD PERIOD FOR FUNDS DEPOSITED BY CONFIRMED WIRE TRANSFER. THE COMPANY MAY DISBURSE SUCH FUNDS THE SAME DAY.

CHICAGO TITLE WILL DISBURSE BY WIRE (WIRE-OUT) ONLY COLLECTED FUNDS OR FUNDS RECEIVED BY CONFIRMED WIRE (WIRE-IN). THE FEE FOR EACH WIRE-OUT IS \$25.00. THE COMPANY'S WIRE-IN INSTRUCTIONS ARE:

**WIRE-IN INSTRUCTIONS FOR BANK OF AMERICA:**

BANK: BANK OF AMERICA  
1850 GATEWAY BLVD.  
CONCORD, CA 94520

BANK ABA: 121000358

**SCHEDULE B**  
**(continued)**

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ACCOUNT NAME: CHICAGO TITLE COMPANY  
BROADWAY PLAZA OFFICE

ACCOUNT NO.: 12351-50737

FOR CREDIT TO: CHICAGO TITLE COMPANY  
700 SOUTH FLOWER, SUITE 900  
LOS ANGELES, CA 90017

FURTHER CREDIT TO: ORDER NO.: 091057494

PLATS  
CM/JDF/RL

**As part of the settlement of a class action lawsuit, we are required to place this notification in all preliminary reports:**

**IF YOU BOUGHT, SOLD OR REFINANCED A HOME (RESIDENTIAL REAL PROPERTY) IN CALIFORNIA BETWEEN JULY 1, 1989 AND FEBRUARY 28, 1997, PLEASE READ THE FOLLOWING:**

Pursuant to a Settlement Agreement in a class action lawsuit filed in the Superior Court for Los Angeles County, a settlement agreement has been entered into that provides persons who bought, sold or refinanced residential real property in the State of California between July 1, 1989 and February 28, 1997, with certain rights. If you are such a person and you are now engaged in an escrow transaction with Chicago Title Company, Gateway Title Company, Benefit Land Title Company or Fidelity National Title Insurance Company, you have the following rights:

If one of these companies previously handled a residential escrow transaction for you that involved residential real property in which a mortgage, promissory note, or similar debt instrument, repayment of which was secured by a duly recorded deed of trust, was fully paid, satisfied or discharged and a reconveyance of that deed of trust was executed and was delivered to one of those title companies for recording but was inadvertently not recorded, you have the right to request that a release of obligation or reconveyance be recorded in accordance with the terms of the Settlement Agreement.

To obtain this right you must:

(1) Establish to the satisfaction of the title company that you actually closed an escrow between July 1, 1989 and February 28, 1997, which was handled by one of the above-listed title insurance companies, in which a mortgage, promissory note, or similar debt instrument secured by a duly recorded deed of trust was fully paid, satisfied or discharged and a reconveyance of that deed of trust was executed and was delivered for recordation to the title company that handled the prior transaction. Proof of said transaction shall be made by presenting a closing statement, preliminary report, title insurance policy or a paid escrow invoice which identifies you and the prior deed of trust; and

(2) Request in writing the recording of a reconveyance or release of obligation in the event that one inadvertently had not been previously recorded in the escrow transaction previously handled by one of the above-named title companies.

**LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS****CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990****EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the ability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

**AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)****EXCLUSIONS**

In addition to the exceptions in Schedule B, you are not insured against loss, costs, attorney's fees and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or governmental regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 

land use	land division
improvement on the land	environmental protection

This exclusion does not apply to the violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date
  - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - that are created, allowed, or agreed to by you
  - that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
  - that result in no loss to you
  - that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
  - to any land outside the area specially described and referred to in item 3 of Schedule A, or
  - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**EXCEPTIONS FROM COVERAGE**

In addition to the Exceptions, you are not insured against loss, costs, attorneys' fees and expenses resulting from:

1. Someone claiming an interest in your land by reason of:
  - A. Easements not shown in the public records
  - B. Boundary disputes not shown in the public records
  - C. Improvements owned by your neighbor placed on your land
2. If, in addition to a single family residence, your existing structure consists of one or more Additional Dwelling Unit, Item 12 of Covered Title Risks does not insure you against loss, costs, attorneys' fees, and expenses resulting from:
  - A. The forced removal of any Additional Dwelling Unit, or,
  - B. The forced conversion of any Additional Dwelling Unit back to its original use,

if said Additional Dwelling Unit was either constructed or converted to use as a dwelling unit in violation of any law or government regulation.

**AMERICAN LAND TITLE ASSOCIATION HOMEOWNER'S POLICY OF TITLE INSURANCE (10-17-98)****EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorney's fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
 

a. building	c. Land use	e. Land division
b. zoning	d. improvements on the Land	f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17, or 24.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
  - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
  - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value of Your Title.
6. Lack of a right:
  - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

**AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)**  
**WITH ALTA ENDORSEMENT - FORM 1 COVERAGE**  
**and**  
**AMERICAN LAND TITLE ASSOCIATION LEASEHOLD LOAN POLICY (10-17-92)**  
**WITH ALTA ENDORSEMENT - FORM 1 COVERAGE**

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violations of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim or priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

**AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)**  
**and**  
**AMERICAN LAND TITLE ASSOCIATION LEASEHOLD OWNER'S POLICY (10-17-92)**

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violations of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

**EXCEPTIONS FROM COVERAGE**

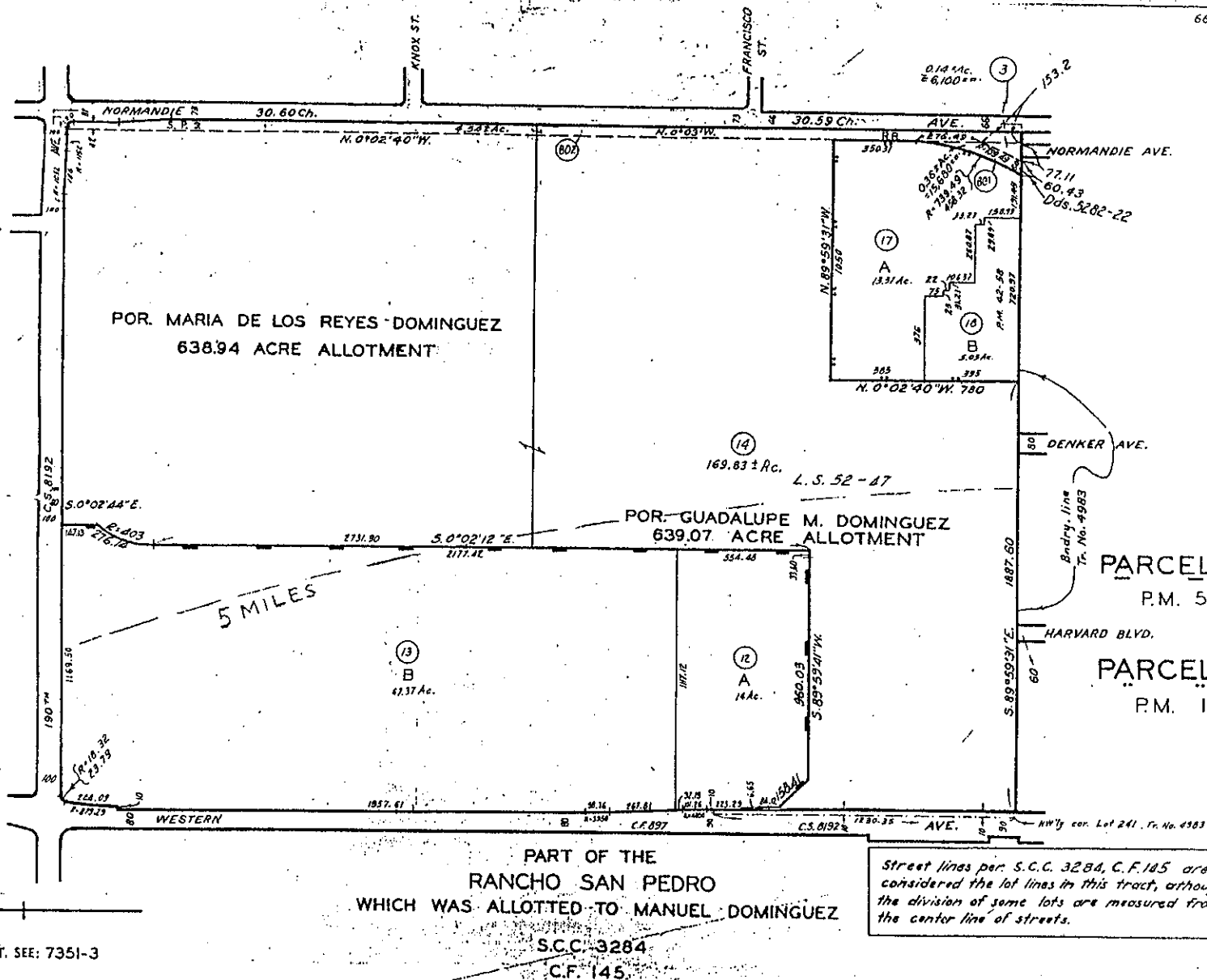
This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

7351

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SCALE 1" = 400'



Chicago Title Ins. Co.

"This plat is for your aid in locating your land with reference to adjacent and other parcels. While this plat is believed to be correct, the Company assumes no liability for any loss resulting by reason of reliance thereon."



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BOOK 1238 PAGE 21

SCALE: 1"=100'

SHEET 5 OF 6

**TRACT NO. 52172-02**IN THE CITY OF LOS ANGELES  
STATE OF CALIFORNIA

SEE SHEET 4

